ACID RAIN PROGRAM PERMIT

City, Water, Light and Power
Office of Public Utilities
Attn: Mr. William A. Murray, Designated Representative
4th Floor, Municipal Center East
Springfield, Illinois 62757

<u>Oris No.:</u> 7425 IEPA I.D. No.: 167822ABG

Source/Unit: Interstate/Combustion Turbine Unit 1

Date Received: February 27, 2004
Date Issued: May 31, 2005
Effective Date: January 1, 2005
Expiration Date: December 31, 2009

STATEMENT OF BASIS:

In accordance with Titles IV and V of the Clean Air Act, the Illinois Environmental Protection Agency is issuing this Acid Rain Program permit to the City, Water, Light and Power for its Interstate Station.

SULFUR DIOXIDE (SO_2) ALLOCATIONS AND NITROGEN OXIDE (NO_x) REQUIREMENTS FOR EACH AFFECTED UNIT:

	SO ₂ Allowances, Under	2005	2006	2007	2008	2009
Combustion	Tables 2, 3, or 4 of 40 CFR Part 73	None	None	None	None	None
Turbine Unit 1	I Nitrogen Oxide (NO) I	This unit is not subject to a ${ m NO}_{ m x}$				
		emissions limitation pursuant to 40				
	TIMEC	CFR Part 76.				

PERMIT APPLICATION: The permit application, which includes SO_2 allowance requirements and other standard requirements, is attached and incorporated as part of this permit. The owners and operators of this source must comply with the standard requirements and special provisions set forth in the application

COMMENTS, NOTES AND JUSTIFICATIONS: This permit contains provisions related to SO_2 emissions and requires the owners and operators to hold SO_2 allowances to account for SO_2 emissions from the affected unit. An allowance is a limited authorization to emit up to one ton of SO_2 during or after a specified calendar year. Although this plant is not eligible for an allowance allocated by USEPA, the owners or operators may obtain SO_2 allowances to cover emissions from other sources under a marketable allowance program. The transfer of allowances to and from a unit account does not necessitate a revision to the unit SO_2 allocations denoted in this permit (See 40 CFR 72.84).

Page 2

This permit contains provisions related to NO_x emissions and requires the owners and operators to monitor NO_x emissions from affected unit in accordance with applicable provisions of 40 CFR Part 75.

This permit does not affect the source's responsibility to meet all other applicable local, state and federal requirements, including state requirements under 35 Ill. Adm. Code Part 217 Subpart W, which addresses $\rm NO_x$ emissions from Interstate Turbine Unit 1.

If you have any questions regarding this permit, please contact Kunj Patel at 217-782-2113.

Donald E. Sutton, P.E. Manager, Permits Section Division of Air Pollution Control

DES:KMP:jar

cc: Cecilia Mijares, USEPA Region V John Justice, IEPA Region 3



AcId Rain Permit Application

STEP 1	This submission is: (□ war ☑ Resised R			
	S				
Identify the course by plant name, State, and ORIS code.	Plant Name Interstate Siese II. GRIS Cude 7425				
STEP 2		1 1			
Enter the unit ID#	Unit ID#			4	
for every affected unit at the affected source in column "a," For new units, enter the	Online	Unit Will Hold Allowances in Accordance with 40 GFR 72.9(c)(1)	New Units Commerce Operation Date	New Units Munitur Certification Deadline	
requested information in columns "c" and "d,"	1	Yes			
		Ves			
		Yas			
		Yes			
		Yes			
	(Table 1996)	Yes			
		Yes			
		Yes			
		Yes			
	0	Yes			
		Yes			
	-	Yes			
		Yes		RECEIVED	
		Yes		FEB 2 7 2004	
		Yes		INPA - DAPC - SPFL	
		V==		OFFL.	
	past	105			

Mant Name (from Step 1)

Interstate

STEP 3

Read the standard requirements

Permit Requirements

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plen) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;

(2) The owners and operators of each affected source and each affected unit at the source shall:

(i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and (ii) Hove on Acid Rain Permit.

Monitoring Requirements

 The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.

The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program

(3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

- (1) The owners and operators or each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)), or in the compliance subaccount of another affected unit at the same source to the extent provided in 40 CFR 73.35(b). 73.35(b)(3), not less than the total annual emissions of sulfur dioxide for the previous
- colondar year from the unit; and
 (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
 (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur digxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur (3) An affected unit shall be subject to the requirements under paragraph (1) or the sulfur dioxido requirements as follows.
 (i) Starting January 1, 2000, an affected unit under 40 CFR 72 6(a)(2); or
 (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72 6(a)(3).
 (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking.

System accounts in accordance with the Acid Rain Program.

(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed

to limit the authority of the United States to terminate or limit such authorization.

(7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

STEP 3, Cont'd.

Nitrogen Oxides Requirements The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

(1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77. (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

(i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

(ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

Unless otherwise provided, the owners and operators of the source and each affected. unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or authority:

(i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative:

(ii) All omissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping. the 3-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

(iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Add Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I aixi 40 CFR part 75.

Liability

- Any person who knowingly violates any requirement or prohibition of the Acid Rain. Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain

Program that occurs prior to the date that the revision takes effect.

(4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.

Plant Name (from Step 1)

Interstate

Step 3, Cont'd,

Liability, Cont'd.

(5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source. apply to the owners and operators of such source and of the affected units at the source.

(6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO, averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.10), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other. representative of one affected unit shall not be liable for any violation by any other effected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plens;

(2) Limiting the number of allowances a unit can hold: provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State

regulation, including any prudence review requirements under such State law:

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy
Regulatory Commission under the Federal Power Act; or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification STEP 4

Road the certification statement, sign, and date

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information. I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting falso statements and information or emilting required statements and information, including the possibility of fine or imprisonment.

Signature William a Munor Date 02/26/04	Name	William A. Murray		
Date 02/26/04	Signature	William a Munay	Date	02/26/04